

Joint Economic Management Committee
Special Meeting
September 14, 2005

Adopted Resolutions

1. JEMCO resolves to approve the following amounts for use of Fiscal Year 2006 Compact grant funding as described in the budget submission from the Government of the Federated States of Micronesia as received by the Office of Insular Affairs on August 12, 2005:

\$26,132,059	Education
16,394,939	Health
24,335,718	Infrastructure
4,039,163	Private Sector Development
6,175,914	Public-Sector Capacity-Building
<u>2,137,452</u>	Environment
\$79,215,245	

2. JEMCO hereby delegates to the Office of Insular Affairs its authority to approve line item budgets within the sector grant funding ceilings established on September 14, 2005 by JEMCO, and may apply special grant conditions as appropriate after prior consultation with the Office of Compact Management.
3. JEMCO resolves that the entire FY04 Public Sector Capacity Building grant carry-over funding (\$1,336,934) shall be used by the FSM National Government for the following purposes:

Fixed Asset valuation - all 5 governments
Accounting Advisor – Yap State
Accounting Advisor(s) – FSM National Government
Accounting Advisor – Component units- all 5 governments
Advisor – Budget offices - all 5 governments
Advisor – Procurement offices - all 5 governments
Internal controls evaluation - all 5 governments
Chuuk Control Commission
Document imaging program – all 5 governments
Building Capacity in Performance Reporting - all 5 governments
Economic Monitoring/Capacity Building project

- a) Sub-granting of these funds by the FSM National Government shall not be permitted except as approved by OIA on a case-by-case basis.
 - b) No later than November 30, 2005, the Office of Compact Management and OIA shall develop a detailed implementation plan for the use of these funds for the above-stated purposes.
4. JEMCO resolves that no later than October 14, 2005, the FSM shall submit a reconciled accounting of FY04 operational grants to OIA. OIA shall have the authority to approve uses of carry over fund balances within the applicable sectors consistent with resolutions adopted by JEMCO on August 11, 2004.